

The Contract Staffing Advantage

This side-by-side breakdown reveals how contract staffing can cut costs, reduce risk, and help your business stay agile in a competitive landscape.

Category	Full-Time Employee	Contract Employee
Base Pay	\$40/hour × 40 hours/week × 52 weeks = \$83,200/year	\$40/hour × hours worked (no guaranteed yearly pay) Only pay for the hours worked
Payroll Taxes	~7.65% (Social Security + Medicare) = \$6,368	None (included in agency markup)
Benefits (Healthcare, 401k, PTO, etc)	Typical: 25%-35% of salary = \$20,800-\$29,120	None (included in agency markup)
Workers' Comp Insurance	Varies (average ~1%) ≈ \$832	None (included in agency markup)
Recruiting, Onboarding Costs	~\$1,000-\$5,000/year)	None (included in agency markup)
Overhead (equipment, training)	Varies (\$2,000-\$5,000/year)	Varies (\$2,000-\$5,000/year), but training should be less if bringing in an experienced contractor
Total Annual Cost Estimate	\$113,200– \$124,420/year	\$102,000–\$117,000 \$40/hour × hours worked (e.g., 2,000 hours = \$80,000) + agency markup (e.g., 25 - 40%)

At Acara, we help companies unlock the strategic benefits of contract labor—because staying lean, responsive, and competitive starts with a smarter workforce solution.

Interested in learning more about our contract staffing solutions?
Contact us today!

